This Section for DOGM Use:			
Assigned DOGM File No.:	S	1	 _
DOGM Lead:			

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 (801) 538-5340

Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

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I.	GENERAL INFORMATION	[(Rule R647-3-104)
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1.	Name of Claim/Mine: COTTONWOOD AREA	
2.	Name of Operator/Applicant: ZIEGLER CHENCE Company () Corporation (XX) Partnership	MICAL & MINERAL p () Individual ()
3.	Permanent Address: 100 Jericho Quad	
-	City: <u>Jericho</u> State Telephone Number: (516)681-9600	e: NY Zip Code: 11753
4.	UTAH ADDRESS: c/o NORMAN HASLEM, Ownership of Land Surface: Vernal, Utah	
	Public Domain (BLM) Of Utah Other:	National Forest (USFS) □
5.	Ownership of Minerals:	
	e (Fee) ☐ Public Domain (BLM) ☐ Other:	National Forest (USFS) □

		Utah Mining Claim Number(s):
		Utah State Lease Number(s): ML 20779, ML 19868
	6.	Have the above owners been notified in writing? Yes X No If no, why not?
	7.	Does the operator have legal right to enter and conduct mining operations on the land covered by this notice? Yes _x_ No
II.	PROJ	ECT LOCATION & MAP (Rule R647-3-105)
	1.	Project Location (legal description): MAPS ARE ATTACHED County(ies):
SW	1/4, of 1/4, of 1/4, of	County(ies): NW 1/4, of 1/4: Section: 29 Township: 10S Range: 21East NE 1/4, of 1/4: Section: 30 Township: 10S Range: 21East 1/4, of 1/4: Section: Township: Range: 21East
	2.	A topographic base map showing the location of the proposed small mining operation must be submitted with this notice. A USGS 7.5 minute series map is preferred. The areas to be disturbed should be plotted in sufficient detail so that they can be located on the ground. It is recommended that the operator also plot and label any previous disturbances in the immediate vicinity that he is not responsible for.
III.	<u>OPER</u>	ATION PLAN (Rule R647-3-106)
	1.	Type of mining: Surface □ Underground 🖾
	2.	Mineral(s) to be mined: GILSONITE
	3.	Provide a brief description of the proposed mining operation and onsite processing facilities. SEE EXHIBIT A ATTACHED.
		N/A (C) N/A (C)
		New Road(s): Length N/A (ft) Width N/A (ft) Total project surface across to be disturbed: 1.5 (acros)
		Total project surface acreage to be disturbed:1.5 (acres)

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining:

- 1. Keep the mining operation in a safe, clean, and environmentally stable condition.
- 2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
- 3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
- 4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
- 5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
- 6. Remove all waste or debris from stream channels.
- 7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
- 8. Conduct mining activities so as to minimize erosion and control sediment.
- 9. Reclaim all roads that are not part of a permanent transportation system.
- 10. Stockpile topsoil and suitable overburden prior to mining.
- 11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
- 12. Properly prepare seedbed to a depth of six inches by ripping, discing, or harrowing.
- 13. Reseed disturbed areas with adaptable species. (The Division recommends seeding 20 lbs./acre of native and introduced species of grass, forb, and browse seed, and will provide a specific species list if requested.)
- 14. Plant the seed with a rangeland or farm drill, or if broadcast seeded, harrow or rake the seed 1/4-1/2 inch into the soil fall is the preferred time to seed.

V.	V. VARIANCE REQUEST (Rule R647-3-110)	
	Yes 🗆 No 🎞	
	Any planned deviations from Rules R647-3-1 Plugging Requirements, or R647-3-109, Reclabolation should be identified below and justification g	amation Practices, as summarized above,
	Item Number Variance Request Justificat	<u>ion</u>
VI	VI. <u>SIGNATURE REQUIREMENT</u>	
	I hereby commit to conduct mining operation	s and to reclaim the aforementioned small
	mine as required by the Utah Mined Land Re	eclamation Act (40-8) and the rules as
	specified by the Board of Oil, Gas and Minir	g.
	\mathcal{A}	
	Signature of Operator/Applicant:	man Haslem
	Name (typed or printed):	MAN HASLEM
	Title/Position (if applicable):	anager
	Date:	w 10,1992

3:MR-SMO

EXHIBIT A

MINING OPERATIONS

The mine shaft opening will be four (4) feet by sixteen (16) feet and will eventually extend to the bottom of the vein of gilsonite. The depth of the vein is presently unknown. The shaft will be excavated at a rate of about 200 to 300 feet per year, but the shaft opening will maintain a total vein width of a minimum of two (2) feet.

A headframe will be erected over the shaft entrance and will be placed on concrete pads. This will create a surface disturbance in the area immediately surrounding the shaft of about one hundred fifty (150) square feet. A hoisthouse will be located 100 feet from the shaft on a fifteen (15) foot by thirty (30) foot concrete slab.

A second shaft with the attendant collar, headframe and hoisthouse will be opened 600 feet northwest of the mine shaft. The second shaft will be used as an escape way from the mine shaft.

A minesite will be built adjacent to the mine shaft. It will consist of a bathhouse, generator, fuel storage tank, septic tank, sewage drain field and water storage tank.

The bathhouse will be approximately fourteen (14) feet by twenty-four (24) feet and will be set upon a concrete foundation. The fuel storage tank will be set upon a concrete slab creating a total surface disturbance of about 225 square feet. The generator will be placed on a concrete slab enclosed by a metal building with a dimension of twelve (12) feet x twenty (20) feet which will create a surface disturbance of approximately 240 square feet.

Excavation for the septic tank and sewage drain field will create a temporary surface disturbance of about 500 square feet. The culinary water tank will be a 1,200 gallon capacity tank and will be buried to a depth of three (3) feet. This will create a temporary surface disturbance of about 100 square feet. The water line from the tank to the campsite will also be buried, thus creating a temporary surface disturbance about one (1) foot wide and 100 feet long. All culinary water will be hauled to the water tank. All trash will be deposited in covered 55-gallon drums and will be transported to the dump at Vernal, Utah, for final disposal.

A storage bin with a capacity to store 25 to 30 tons of gilsonite will be located near the shaft and will sit on concrete footings, creating a surface disturbance of about sixteen (16) square feet. A twenty (20) foot by twenty (20) foot area near the storage bin will be cleared as a gilsonite holding area for use if needed.

It is expected that the minesite described above will be used for at least twenty-five (25) years. The mine shaft will take a minimum of three (3) years to mine out, at which time the mining operations will be moved to the site of the escape way approximately 600 feet to the northwest and the old shaft site, after serving for a time as an escape way, will be sealed with a concrete slab.

An existing oil field road runs to within 3/8 of a mile of the proposed mine site and a reclaimed road runs from this point to a very close proximity of the proposed mine site.

It is anticipated that the mine shaft proposed in this notification will be used for approximately three (3) years. After the gilsonite accessible from the initial shaft has been removed, mining operations will move to the escape shaft site approximately 600 feet to the northwest of the initial mine site. At that time the shaft proposed herein will be preserved as an escape route from the new shaft.

During the time that it is used as an escape way the initial shaft will be maintained in a safe and operable condition and the surrounding area will be fenced. The mine shaft, generator, fuel storage tank and escape shaft will be enclosed within a fence to limit any chance of injury to persons who might wander into the area.

When a mine shaft is no longer needed as an escape way it will be sealed with a cap of 12 inch thick reinforced concrete.

After operations are completed, all buildings, machinery and debris will be removed from the site. Any areas where the surface has been disturbed will be regraded to rounded cross sections. Where possible soil material will be placed over the building sites and storage areas after regrading.

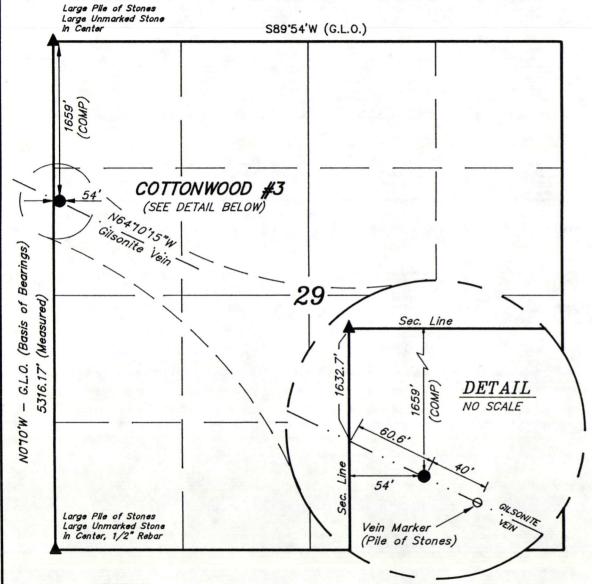
All disturbed soil will be scarified and fertilized prior to reseeding. Reseeding will be based on recommendations of soil tests conducted by the Ute Indian Laboratory.

Approximately 1-2 months will be needed to set up the facilities and open the shafts, after which actual mining operations will be commenced. For safety reasons the mine shaft and the escape shaft will be opened and worked simultaneously during the initial period of operations. Since the depth and width of the gilsonite vein are at present unknown, no accurate forecast of the length of time needed to mine out the initial shaft is Since two shafts will necessarily be worked by the available. single three (3) man mining crew during the early stages of this operation, it is expected that it will take up to six (6) years to mine out the first shaft. Thereafter a new mine shaft will be opened approximately 600 feet further up the gilsonite vein each time a shaft is mined out. The last used shaft will always be preserved as an escape way for the shaft presently being worked. It is estimated that it will take a minimum of three (3) years to mine out each shaft, and could take much longer if the vein widens toward the bottom or if it is a deep vein. The vein is to be located within lease #20779 and #19868 and extends generally in a northwesterly, southeasterly direction from the initially proposed mine site. Consequently mining operations on this vein may be expected to continue for a number of decades. At this time, however, there are no plans to work more than one shaft at a time, except during this start up period when both the mine shaft and escape route shaft will be worked simultaneously. The minesite will remain in the presently proposed location at least until the mining operations have moved one mile from the minesite. It is estimated that it will take a minimum of twenty-five (25) to thirty (30) years to mine out one mile of this gilsonite vein.

Mining operations will be conducted through a four (4) foot by sixteen (16) foot shaft opening which will be encased in a concrete collar. The shaft walls will extend nearly straight down for approximately twenty (20) feet. At a depth of about twenty (20) feet, or as soon thereafter as conditions allow, the walls will be flared out along the vein in such fashion that a slope will be created along the vein allowing the gilsonite as it is chipped loose to slide down the slope to a bin where an airlift system will convey the gilsonite to the surface, dumping it in a truck loading bin.

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T10S, R21E, S.L.B.&M.



LEGEND:

_ = 90' SYMBOL

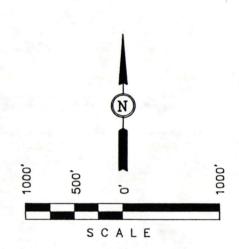
PROPOSED GILSONITE MINE SHAFT.

= SECTION CORNERS LOCATED.

NOTE: PROPOSED SHAFT BEARS \$2'02'47"E -- 1660.1' FROM THE NORTHWEST CORNER OF SECTION 29.

ZIEGLER CHEMICAL & MINERAL CORP.

Mine Shaft, COTTONWOOD #3, located as shown in the SW 1/4 NW 1/4 of Section 29, T10S, R21E, S.L.B.&M. Uintah County, Utah.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELLET.

REGISTERED LAND SURVEYOR REGISTRATION NO. 5709

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (801) 789-1017

(661) 165 1611		
SCALE 1" = 1000'	DATE SURVEYED: 5-22-92	DATE DRAWN: 6-3-92
G.S. K.L. R.E.H.	REFERENCES G.L.O. PL/	AT
WEATHER WARM	FILE ZIEGLER CHEM	IICAL

LOADING BIN ESCAPE DERRICK GILSONITE VEIN SHAFT VACUMN VENT LINE HOUSE PROP & LUMBER STORAGE ACCESS ROAD GENERATOR SHED

ZIEGLER CHEMICAL

COTTONWOOD #3 SITE PLAN

LOCATED IN SECTIONS 29 & 30, T10S, R21E, S.L.B.&M. UINTAH COUNTY, STATE



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR REGISTRATION NO. 5709 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (801) 789-1017				
SCALE	1" = 50'	DATE SURVEYED: 5-22-92	DATE DRAWN: 6-2-92	
PARTY	G.S. K.L. R.E.H	H. REFERENCES	REFERENCES G.L.O. PLAT	
WEATHER	WARM	FILE 4 0	FILE 4 0 2 4 5	

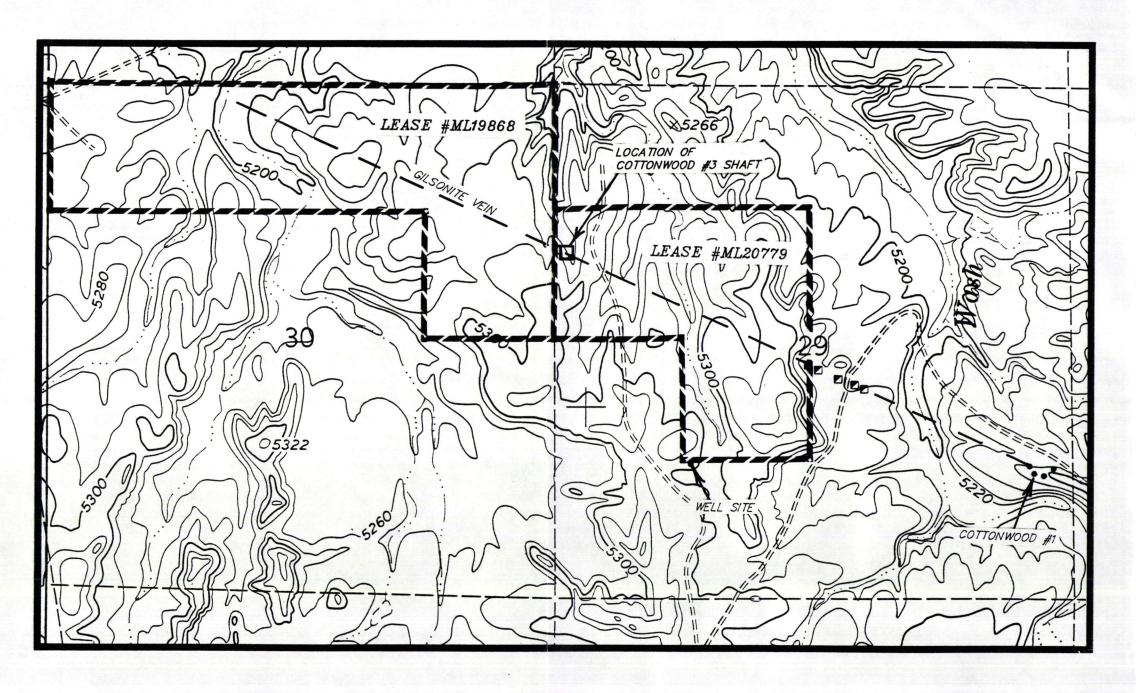
ZIEGILER CHEMICAIL

COTTONWOOD #3

LOCATED IN SECTION 29, T10S, R21E, S.L.B.&M.



DATE: 6-2-92



VICINITY MAP

Scale: 1" = 1000'

Vernal, Utah 84078 801-789-4908 Fax # 789-4918

M & **A**

Attorneys & Counselors

 $\rightarrow M/047/0$ June 10, 1992

\$ 865 East 200 North (112-10) Roosevelt, Utah 84066 801-722-3928

Fax # 722-3920 ———— Reply to:

Vernal

RECEIVED

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

DIVISION OF OIL GAS & MINING TO THE COMPANY

RE: Ziegler Chemical and Mineral Corporation - Notice of Intention to Commence Mining and Conduct Exploration

Dear Sir:

Please find enclosed the Notice of Intention to Commence Small Mining Operations, Notice of Intention to Conduct Exploration for Ziegler Chemical and Mineral Corporation. The attachments include Exhibit A and maps.

Would you see that they are properly processed and kindly notify us if there are any questions and upon completion of this matter.

Thank you very much.

Very Truly yours,

MCKEACHNIE & ALLRED

Gayle F. McKeachnie

VW

Enclosure

CC: John Blake, State Lands & Forestry
Norman Haslem, Ziegler Chemical